



**CITY OF HAYWARD**  
**AGENDA REPORT**

AGENDA DATE 11/14/00

AGENDA ITEM 2

WORK SESSION ITEM \_\_\_\_\_

**TO:** Mayor and City Council

**FROM:** Acting Finance and Internal Services Director

**SUBJECT:** Approval of Equipment Lease Financing

**RECOMMENDATION:**

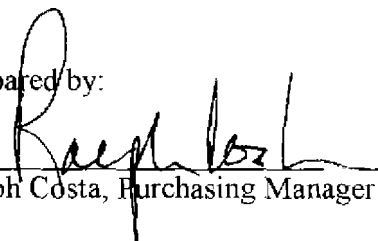
It is recommended that City Council authorize the City Manager to execute the Equipment Lease/Purchase Agreement and other documents necessary to procure equipment lease financing from Banc One Leasing Corporation

**BACKGROUND:**

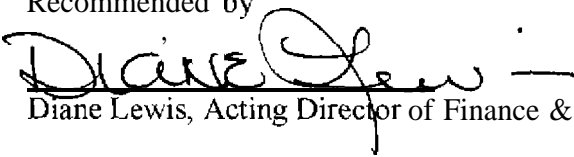
City Council approval is requested for lease financing the acquisition of equipment with a purchase price of \$521,360. The equipment consists of vehicles that are planned replacements for existing equipment. The adopted budget provides for replacement of the equipment and anticipates the use of a lease purchase transaction to finance their purchase.

Staff sent Requests for Proposals (RFP) to seventeen providers for lease financing. Nine proposals were received for financing the specific list of equipment. The net effective interest rates offered ranged from 5.4% to 5.77%. Banc One Leasing Corporation with a 5.4% offer submitted the lowest cost proposal. The equipment will be financed over a seven-year term; this equates to a total of payments of \$633,038 to finance the \$521,360 current acquisition cost.

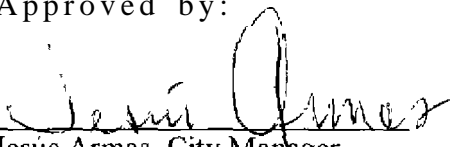
Prepared by:

  
Ralph Costa, Purchasing Manager

Recommended by:

  
Diane Lewis, Acting Director of Finance & Internal Services

Approved by:

  
Jesus Armas, City Manager

**DRAFT**

HAYWARD CITY COUNCIL

RESOLUTION NO. \_\_\_\_\_

Introduced by Council Member \_\_\_\_\_

RESOLUTION AUTHORIZING EXECUTION OF  
EQUIPMENT LEASE/PURCHASE AGREEMENT AND  
OTHER DOCUMENTS NECESSARY TO PROCURE  
EQUIPMENT LEASE FINANCING FROM BANC ONE  
LEASING CORPORATION

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby authorizes the City Manager to execute an Equipment Lease/Purchase Agreement, and other documents that may be necessary in order to procure equipment lease financing necessary from Banc One Leasing Corporation, on terms satisfactory to the City Manager and in a form approved by the City Attorney. Such lease agreement shall be subject to the City Council's annual appropriation of funds.

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2000

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST: \_\_\_\_\_  
City Clerk of the City of Hayward

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney of the City of Hayward